

News Release From

U.S. Congresswoman Zoe Lofgren

16th Congressional District, California

FOR IMMEDIATE RELEASE

CONTACT:

Toni Wehman (Lofgren)

(202) 225-3072

Ernest Baynard (Honda)

(202) 225-2631

LOFGREN JOINS DREIER TO REFORM COMPUTER EXPORT RULES

Bipartisan Effort Allows Computer Industry to Compete Globally

(Washington, DC) – Today, Congresswoman Zoe Lofgren (D-CA) sponsored legislation with Congressman David Dreier (R-CA) that would ease outdated export restrictions on the U.S. computer industry. They were joined by Representatives Jeff Flake (R-AZ), and Mike Honda (D-CA). Currently, there are stringent export controls on computers based on a measurement of computer speed set in 1998. The legislation introduced today will give the President more flexibility to develop a system that more effectively balances national security and economic interests.

“Our computer industry is world-class and, unfortunately, is restricted in the world market by our outdated export control regime,” said Lofgren. “What was top computing speed 3 years ago is quite slow in today’s computers. The computer industry is truly a global industry and Silicon Valley must now be allowed to compete with stronger foreign information technology firms. Our companies must not be hampered by arcane government regulations.”

Senators Bob Bennett (R-UT) and Harry Reid (D-NV) have introduced similar legislation in the Senate. The bill will repeal current export controls on high performance computers. These controls were created in 1998 to prohibit the export of high-speed computers to other nations for national security reasons. It was feared that high-powered computers would allow a country to develop complex weapon systems that could be turned against the United States. This legislation would allow the Bush Administration to work with Congress, the national security community, and the computer industry to develop a better approach to protect our national security and allow our computer industry to compete globally.

"The U.S. computer industry, particularly in California, has established itself as the global leader because of its ability to remain competitive in the ever changing world of high technology," said Dreier. "As the tech marketplace becomes even more competitive, we must work to maintain the global leadership of our world class tech companies, while doing everything necessary to protect our national security. Repealing the MTOPS provision will give us the flexibility needed to achieve both these important goals."

"The current export control scheme is outmoded and has disadvantaged our high-tech companies for far too long," said Honda. "Our bill would give the President the needed flexibility to create a new standard that would better serve our global security interests while placing our innovative companies on an equal footing with foreign competitors."

“It is unfortunate that we hinder our computer industry while they are trying to recover from an economic downturn,” added Lofgren. “By working together across party lines, we can craft new export regulations that will permit U.S. information technology companies to reach their potential by removing regulatory roadblocks.”